



① Margaret
② file
COPY to JANET
FELDSTEIN

Memorandum to the files: Duane Marine Salvage Company

From: Walter F. Mugdan

On Friday evening, March 15, 1985, at about 5:50 p.m. I called Jack Lynch, chairman of the Duane Marine generators' committee. I told him that Janet Feldstein was in my office and had informed me that work at the site, under the EPA-approved workplan, was behind schedule. Specifically, I said that even using the most liberal interpretation of the order, work should have started by March 15, but that Bob Blanchfield had told Janet work would not start until March 25. I asked him if he could explain the delays.

Lynch replied that he personally had been involved in several trials since mid-February, and had only just returned to the office on March 15 after an absence. He had spent the day talking with Blanchfield and other members of the generators' group. He described the sequence of events as follows: "We put in a workplan; we asked for comments, [from EPA], and got some back. They [the comments] were a major advance towards 'this is what the deal is,' but they were not treated by either side as the final starting gun." I expressed surprise at this view, and quoted to him from Margaret Thompson's notes of her telephone conversation with Lynch on March 12, at which time it was agreed that work would begin by March 19. I also quoted to him his letter to Margaret, dated March 7, which reflects final agreement on the workplan. He noted that he had not read that letter which was prepared by an associate.

Lynch then pointed out that Blanchfield had spoken to Bruce Sprague (I believe he said this conversation was on March 15), and they had agreed that commencement of work could be delayed until March 25

provided that it was not a "token start, like leaving a trailer on site," but was an actual commencement of cleanup work. Lynch said he (or Blanchfield) had written a letter confirming this understanding, and the letter was already in the mail.

Lynch then explained the basis for the delay. He said the committee had originally passed the hat for \$2000 per generator. After the workplan was drafted, an estimate of \$40,000 for the next phase of work was received, and plans were made to pass the hat again. Sometime in the last week or two the generators had had a conference call to develop an ad hoc allocation for this second subscription; as a result of that, some \$31,000 was collected. (He noted that Midland Glass could not be reached for the conference call, and later complained that the allocation share assigned to it was too high, and has therefore not contributed yet. He also noted that Midland Glass was still waiting on a response from EPA concerning its petition to be let out of the order.) He said that as a result of changes to the workplan it is now estimated the next phase of work will require \$43,000, so the group is about \$12,000 short. His proposal is that they sign with IT Corporation for the work next week, and dip into the funds from the earlier collection for the shortfall. He said that based on a phone survey today (3/15), a majority of the generators have approved signing the contract with IT Corp.

I told Lynch to move as quickly as possible, and that it would be helpful if he could start some work on site by the week of March 18. I forgot to tell him that we have had press inquiries during the week of March 11 about why there has been a delay in starting work; I intend to call him again on March 18 to advise him of this.

cc: Janet Feldstein